



**Interstate Pest Control Compact (IPCC) and Pest Control Insurance Fund  
Mid-Year Meeting of the Governing Board  
Tuesday, February 15, 2011  
4:00 PM – 5:00 PM  
Hyatt Regency Reston, Reston, VA**

**Attendees:**

*Member States Present (25):*

Arizona	– Don Butler (IPCC Acting Chairman)
Colorado	– John Salazar
Delaware	– Ed Kee
Georgia	– Gary Black
Illinois	– Tom Jennings
Indiana	– Joe Kelsay
Kansas	– Dale Rodman
Louisiana	– Mike Strain (IPCC Treasurer)
Michigan	– Keith Creagh
Mississippi	– Andy Prosser (MDAC staff)
Nebraska	– Bobbie Kriz-Wickham (NDA staff)
New Jersey	– Doug Fisher
North Carolina	– Richard Reich (NCDACS staff)
North Dakota	– Doug Goehring
Ohio	– Jim Zehringer
Oklahoma	– Jim Reese
Oregon	– Katy Coba
Texas	– Todd Staples
Utah	– Leonard Blackham
Vermont	– Chuck Ross
Virginia	– Matt Lohr
Washington	– Dan Newhouse
West Virginia	– Gus Douglass (IPCC Executive Committee)
Wisconsin	– Ben Brancel
Wyoming	– Jason Fearneyhough

*Others Present (2):*

Charlie Coffman	– IPCC Executive Director
Carrie Castille	– IPCC Treasurer Assistant & Deputy Assistant Commissioner, Louisiana Department of Agriculture & Forestry

**Call to Order**

With both Chairman Patrick Hooker (NY) and Vice Chairman Don Koivisto (MI) having lost their appointments as a result of the gubernatorial elections in their states in November,

Executive Director Coffman had previously asked Immediate Past Chairman Don Butler (AZ) to chair the meeting. By common consent, Acting Chairman Butler called the meeting to order at 4:02 pm and asked Charlie to call the roll.

### **Roll Call of Member States**

Charlie called the roll and counted 21 member states present, which constituted a quorum (19 needed). *(Note: Upon examination of the attendance roster following the meeting, it was noted that four additional states were represented for a total of 25.)*

### **Approval of the September 18, 2010 Annual Meeting Minutes**

Acting Chairman Butler called for a motion to approve the minutes of the annual meeting. Approval was moved by Secretary Ed Kee (DE) and seconded by Commissioner Doug Goehring (ND). Motion carried.

### **Report of the Chairman**

Since he had only recently been recruited to serve as an administrative substitute for these proceedings, Acting Chairman Butler said that he did not have a report, but he wanted to give credit to Charlie for the work that he had done since September to prepare for this meeting, particularly in the area of transitioning to a new treasurer.

### **Executive Director's Report**

Executive Director Coffman gave his report highlighting issues affecting the Compact since the annual meeting on September 18, 2010 as follows:

#### Membership

Nothing has changed here since the September meeting. There are still 39 total parties, that is, 38 states and Puerto Rico.

#### Assessments in Progress – Wisconsin and Louisiana

Wisconsin paid its second installment of \$6,359.00 on a total assessment fee of \$19,077.00 in October, which brought their total paid to \$12,718.00. Louisiana will be billed for its third installment payment of \$2,038.00 on February 21. Currently, they have paid \$4,076.00 on their total of \$12,228.00. It is important to note here, with so many new commissioners/secretaries/directors in the organization, that memberships can be paid in up to six installments and that's the approach that new members have been taking. There are no other outstanding membership fees.

#### Enabling Legislation – Arizona and Nebraska

As has been reported previously, Arizona and Nebraska assessment fees have been paid in full for some time, but they lost their voting rights on September 26, 2010 as a result of not being able to pass their enabling legislation by that deadline (Bylaw 12.2) due to legislative opposition/governmental policy outside their respective departments of agriculture. They will remain in that situation until their legislation is passed. This changes the voting quorum for meetings from 20 to 19 members.



a staff member do that for you. Credit needs to be given to previous Executive Director Bob Balaam for setting that up; it is an excellent resource.

*\* Interjection: Director Jason Fearneyhough (WY) asked the executive director if a break could be taken from the formal agenda to give new commissioners/secretaries/directors a description of the IPCC. Charlie said that he didn't have any objection and the only reason he hadn't formally included an overview was in the interest of keeping things moving in view of the amount of material to be covered. He proceeded with a brief overview as follows:*

The Compact was formed in 1968 by five states; West Virginia, New Hampshire, Michigan, Illinois, and, I'm sorry, but the fifth one escapes me at the moment (*postscript: this was Pennsylvania*). In a nutshell, it was formed to bridge the gap between federal and state resources in plant pest emergencies. Since 1968, it has funded 30 claim projects worth over a million dollars; we have one pending today that we need to take a vote on. I think it has served the states well in what it was set up for and the projects conducted have been valuable to plant pest regulation. Take gypsy moth for example, which is the target of the project in Minnesota that is up for a vote today. We've only had five control projects for gypsy over the 42-year history of the Compact. Considering how long gypsy moth has been a problem, I think this demonstrates that the states do try to take care of pest emergencies as much as possible using state and federal resources first. Once in awhile, however, situations arise where additional resources are needed and I think the Compact has been able to fill that gap. I'd be happy to answer any questions if anybody has anything specific they want to ask.

Commissioner Gus Douglass (WV) was recognized: Charlie, I think that a quick statement is that these monies are available to states for an identified problem or expansion of a pest wherein USDA is not looking to address it at the moment, so it's an attempt to contain a situation with maybe 15, 20 or \$30,000 rather than letting it grow and having to spend millions on it.

Commissioner Mike Strain (LA): You can request the money for another state to help keep it from crossing your state line. It is not there for you to request within your state, but for another state to protect your borders. It is emergency rapid response money if the state next to you does not have the funds to deal with the situation where it can be stopped it from moving and growing from one state to another. It's cooperative amongst us all.

Charlie: That's correct.

Secretary Doug Fisher (NJ): Is an example like, I had heard, the stinkbug actually started in Pennsylvania as a very small problem and APHIS didn't consider it to be that big a deal. Would this be an example where they could have eliminated the stink bug at that juncture by using these monies?

Commissioner Strain: If it threatened another state.

Secretary Fisher: Which it did.

Charlie: A request could have been submitted if they felt it was containable.

Unidentified questioner: Has there ever been any requests denied?

Charlie: I can't quote any denials. That question was asked by Dr. Castille and I said I would research that for her. That was just prior to the meeting and I have not had a chance to do that. I believe there have been some, but I'll have to research it.

Commissioner Strain: But they would have been denied by a vote of the body; by the voting body would they not?

Charlie: Yes, that's correct.

#### Directors and Officers Liability Insurance

The policy purchase for this insurance authorized in the September meeting was completed with the Brock-Norton Insurance Agency. The insurer for the policy is Darwin National Assurance Company. The policy is a not-for-profit organization's management liability package policy and the coverage selected was the directors and officers liability coverage section. The effective dates on the policy are October 1, 2010 to October 1, 2011 and the annual premium is \$535. There are a couple of issues that have been noted in the application section of the policy that need to be cleared up with the agent. There were some things that got in there, some answers in some of the coverage sections that we didn't even select, that I want to make sure would not affect our coverage. I'm working with him on that right now and was hoping to have it cleared up by the time of the meeting. As soon as it is resolved, a copy of the policy will be distributed to you.

#### Treasury Status

##### Treasurer Position Filled

The treasurer position was filled by appointment on October 27, 2010. Chairman Patrick Hooker appointed Louisiana Commissioner Dr. Mike Strain, who had previously agreed to take on the assignment for the Compact subject to confirmation at this meeting. He will be assisted by his deputy assistant commissioner and special advisor, Dr. Carrie Castille, and Silva Gurtner & Abney, an accounting firm that works with his department that will provide accounting services similar to what Mauldin & Jenkins did for Commissioner Tommy Irvin when he was treasurer.

##### Financial Management Guidelines Revision

The Funds Administration section of the Financial Management Guidelines had to be revised to reflect the transition from Commissioner Irvin to Commissioner Strain. A copy of the revised document was sent out to everyone just prior to the meeting. We do need a motion on that to accept the revised document.

Acting Chairman Butler: Is there a motion from the floor? Motion to accept was made by Commissioner Goehring (ND) and seconded by Director Tom Jennings (IL). Motion carried.

Tax Return

The 2009 tax return was completed by Mauldin & Jenkins, CPAs, LLC, at no cost to the Compact, from financial statements supplied by the Georgia Department of Agriculture's Tony Amoroso. It was posted on the website for public viewing in January.

Mid-Year Financial Report

The FY 2011, mid-year financial report was completed by Tony Amoroso, who is now on Georgia Commissioner Gary Black's staff. Tony was very gracious in continuing to provide support for us during the transition to Commissioner Strain and Dr. Castille. The report was posted on the website on February 8.

Unidentified questioner: Could you explain the no cost to the Compact (on the tax return) and is that an arrangement that will continue indefinitely, or is that a one time thing or what are the details surrounding that?

Charlie: That was a one time thing. I believe with Silva Gurtner & Abney we've been talking about...

Commissioner Strain interjects: Right, we don't have an estimate; they do work for the Department and they also do work for me privately in veterinary practice. They are a full service accounting firm and will be charging whatever the market rate is.

Unidentified questioner: But the free, the no cost this time was a one year welcome aboard?

Commissioner Strain: That came from Georgia.

Unidentified questioner: But the expectation of that continuing would be an incorrect one?

Commissioner Strain: Yes, it would be, but we'll make sure that whatever it is, that it's fair and reasonable.

**Treasurer's Report**

Executive Director Coffman gave the Treasurer's Report for Commissioner Strain.

Mid-Year Financial Report

Total assets as of December 31, 2010 were \$1,191,735.02. This represents an increase of \$15,065.22 from June 30. Funds are invested in a MorganStanley SmithBarney portfolio that earned varying rates of yield.

On investment risk, the IPCC portfolio follows the conservative investment strategy approved by the IPCC governing board on September 18, 2010. Investments were diversified in the following way as of December 31, 2010:

Money Market Fund	11%
Preferred Stocks	1%
Corporate Bonds	45%
Mutual Funds	26%
Exchange Traded and Closed End Funds	6%
Certificates of Deposit	<u>11%</u>
	100%

Contracts payable reported as \$22,000 represent the contractual balance due to the state of Colorado for its approved eradication program.

Total revenues amounted to \$25,183.14 of which income on investments totaled \$18,824.14. The state of Wisconsin paid the second installment on their state assessment. No donations were received.

Investment income covered all of the administrative and operating costs which were \$11,816.44 for the period. There were no fees or expenses associated with the investments.

Commissioner Strain on the investments: Basically, when we made the investments on December 31, we had \$220,000 in cash from certificate of deposits that had matured. We took that and put it in a balanced form in four areas; \$22,500 in PIMCO Funds, \$22,500 in Prudential Funds, \$100,000 in the Lord Abbot Floating Rate Fund, and \$75,000 in Build America Bonds. We have an investment advisor at MorganStanley SmithBarney that handles this account, Claire Meade. I also obtained a second opinion from my personal financial advisor in their local office that I have been working with for 20 years, because I wanted a second opinion on the safety and security of the bonds. I wanted to try to make sure we were doing the best we could. These are low risk investments that will not give high yields, but they are better than certificates of deposit.

Acting Chairman Butler: We need a motion to accept the financial report. Moved by Tom Jennings (IL) and seconded by Ed Kee (DE). Motion carried.

*Proposal for an Investment Committee*

Commissioner Strain requested back in October that a committee be appointed to assist him with investment decisions. A request was put out on behalf of Chairman Hooker for volunteers in late October with no response. As a result, Commissioner Strain requested consideration be deferred until the mid-year meeting.

Commissioner Strain: Commissioner (Steve) Troxler (NC) has volunteered to be on that investment committee, but I would still like at least one more person to serve. The purpose is that when we make these investments, the most recent being \$220,000, that there be a discussion of these securities rather than it being a unilateral decision. Do we have any volunteers? Director Jennings (IL) responded.

Commissioner Strain: Thank you, that will make three of us, and again my intentions are that we will take a look at the advice from Ms. Meade and get second opinions as well. We will research it and then we will make a decision. Some of these are what we call bond ladders with varying dates of maturity and we will have to make decisions on these funds.

Acting Chairman Butler: We need a motion to accept the proposed committee. Moved by Director Joe Kelsay (IN) and seconded by Commissioner Douglass (WV). Motion carried.

*Audit Discussion and Possible Bylaws Amendment*

An item of discussion that has been of particular concern during the transition to Commissioner Strain as treasurer is the Compact's audit situation. Article IX (e) of the Compact directs that there shall be accurate accounts kept of all receipts and disbursements, they shall be subject to the audit and accounting procedures established under the bylaws and they shall be audited yearly by a certified or licensed public accountant and the report included in the annual report, but there are no specific audit and accounting procedures spelled out in the bylaws.

A review of the record by the Executive Director in 2009-10 found that a paid audit (even this was not a full audit, but rather a review conducted by an Illinois accountant prior to the transfer of the treasury from Illinois Director Becky Doyle to Virginia Commissioner Carlton Courter) had not been conducted since 1998, which became cause for concern and was discussed with then Chairman Don Butler, previous Executive Director Bob Balaam and Tony Amoroso. Tony, in turn, consulted with the accounting firm assisting him with Compact matters, Mauldin & Jenkins CPA's LLC, and their collective opinion was that an annual audit was not needed for the following reasons: (1) our financial reporting is in order and is reconciling, (2) the nature of our assets, where they have been held and the reports we have on them, (3) our total expenditures are relatively small and are paid on itemized budget categories, (4) we're compliant with the Internal Revenue Service, and (5) considering all of the preceding together, the risk of fraud is extremely low. Separate consultation with Silva Gurtner & Abney by Dr. Castille on January 31, 2011 led to a similar conclusion.

These opinions have significantly lowered the level of concern for not having a formal audit, but they do not eliminate the confusion stemming from the language in Article IX (e), hence, wording for an amendment to Bylaw 7, Financial Affairs, by way of adding an (e) that addresses the current confusion is being proposed as follows:

**Bylaw 7 Financial Affairs**

“(e) The Insurance Fund receipts and disbursements shall be accounted for using generally accepted accounting principles and mid-year (January) and annual (July) reviews conducted of that accounting that culminate in reconciled mid-year and annual financial reports. Full audits will only be conducted at the request of the Governing Board.”

Secretary Jim Reese (OK) moved adoption of the amendment, but Executive Director Coffman said that bylaws amendments have to be read one meeting in advance of approving them. The purpose here was to offer the amendment for a vote at the annual meeting in September. More appropriately, Commissioner Strain, as treasurer, would be sponsoring the amendment.

Commissioner Strain: Charles, let me hit on that in just a quick comment. A full audit by a CPA firm requires a high level of testing. They look at income; they look at many different things. The cost is generally \$2,500 to \$4,500 for a full audit of this magnitude. What we're saying is that you use the standard accepted accounting practices and let a CPA look at it by normal accounting reporting practices. If not, the audits would eat up a relatively significant portion of the income coming from investments for what amounts to a small number of transactions. The technicality of saying an audit has a different meaning in accounting language and it's expensive based on the number of tests they have to do, so this is at the suggestion of the CPAs.

*Fidelity Bond Discussion and Possible Action*

The question of whether to purchase a fidelity bond (protects against fraud, theft, forgery, embezzlement and negligent actions) for those handling Compact funds, as directed in the bylaws, was talked about briefly in September after a records check had shown that one had not been purchased since the 1998-99 fiscal year. No specific reason for the lack of purchase was found in meeting minutes, but it's presumed to be the result of perceived low risk with those handling the funds. When the funds were moved from Illinois to Virginia after Commissioner Courter became treasurer at the 1998 annual meeting, they were invested in the Virginia state investment pool and Commissioner Courter and his staff oversaw that. When Commissioner Courter left office at the end of 2006 and funds were moved to SmithBarney, NASDA provided funds handling and accounting services until new treasurer Tommy Irvin offered the services of his chief financial officer, Tony Amoroso, during the 2008 annual meeting. These services have now been taken over by Commissioner Strain and Dr. Castille, but a review and reconsideration of the bylaws directive has been deemed to be in order.

Commissioner Strain: I think we need to look at what the cost is. If the cost is great, then I would say no.

Charlie: I put in a request to the Brock-Norton Insurance Agency for new fidelity bond quotes just prior to the meeting, but it was too tight a turnaround to get an answer back beforehand. I do know that I reported back in September that we had a quote from Hartford Insurance for \$200 for a \$10,000 bond, but the bylaws provide for the Governing Board to purchase more coverage if it is deemed needed.

Secretary Reese (OK) moved that a fidelity bond not be purchased. Acting Chairman Butler called for a second and Commissioner Gary Black (GA) provided same. Motion carried.

*Possible Budget Amendment for Accounting Services*

There is no contract in place as of yet for accounting services. Talks are ongoing about this with Silva Gurtner & Abney. They are set to assist Commissioner Strain. There is no provision currently in the budget for accounting services payment, but looking at it here we could replace the audit line item under contractual services. Since we don't have a quote from them, however, we'll have to defer action to the Executive Committee following the meeting once we get their quote.

## **Insurance Fund Claims/Projects**

### Colorado – Yellow Starthistle Update

This will be the third and final year of Colorado's project. The eradication of yellow starthistle is ongoing in Moffitt and Larimer Counties. The second, full interim report on the project is due March 15 and will be published on the website and in the 2011 annual report. It will also be circulated to the Governing Board once it is finalized.

### Minnesota – Gypsy Moth Eradication Claim Request

Wisconsin and North Dakota have requested the expenditure of money in Minnesota to eradicate three small isolated infestations of gypsy moth in the Twin Cities area. They're asking for a one-year expenditure of \$52,000 for the project. It will leverage \$50,000 in APHIS-PPQ funds and \$36,000 in US Forest Service funds. The proposal has been circulated to the Technical Advisory Committee and it is recommending approval from both a technical and biological standpoint.

From a historical perspective, going back to 1968, there have been five projects funded by the Compact for gypsy moth control. In the executive director's own experience with gypsy moth covering 32 years in one capacity or another, the states have tried to take care of gypsy moth eradication on their own using state and federal resources and this historical record bears that out. There obviously have been a few times that they haven't been able to do so and have come to the Compact for funds.

The bylaws call for recording a vote on this. Ballots have been distributed, but rather than take the time to count all of those perhaps a voice vote could be taken to get a sense of whether there is a need to fill out the ballots after a period of discussion.

Director Katy Coba (OR): Mr. Chair, everyone knows that I'm the third longest serving member on NASDA. I really don't feel like I'm in a position to vote on this request. I know nothing about it; I have no context or history with the program. I'm not exactly sure I know a suggestion in terms of moving us forward, but I don't believe I have enough information to make an informed decision on whether to support this or not. I know that puts you all in a bad position, but...

Secretary Ben Brancel (WI): Wisconsin has been in the program called Slow-the-Spread for many years, as have many of the eastern states, and this particular problem is slowly creeping west. We have been battling the gypsy moth and it has moved to about the center part of our state. We have succeeded over the last 15-year period in keeping it from the western states. This particular pocket is identified in the St. Paul area. Our concern is that all the money we have spent to try to slow that spread will leapfrog; it'll come back toward the east again and connect up with the population that we're fighting as well as it will speed up the process of getting to North Dakota and other states. So this is a large challenge, it's a large campaign that much of the eastern part of the United States is familiar with. The Gypsy Moth Slow-the-Spread Program is a USDA-recognized effort and because this particular pocket of worms have jumped that's why we're supporting Minnesota's request for funding for this eradication program in their state.

Acting Chairman Butler asked if there were other comments and recognized Commissioner Douglass (WV).

Commissioner Douglass: I have some concerns relative to the treatment, because I think our experience Charlie is that again we can treat and maybe knock it down, but we do not get 100% control. If you want to look at this as a delaying tactic, I think it would fall into that category, but I don't think it falls into the category of eradication. So, again it's moving, there's no doubt about that, but I just raise doubts.

Charlie: On the slow-the-spread program, Secretary Brancel was talking about them being involved in that for a length of time. The benefit/cost ratio for that program for expenditures of dollars against gypsy moth when the original economic analysis was done was 4 to 1 benefit to cost. The most recent analysis that I've seen has dropped that a little bit to somewhere between 3-4 to 1, so it's still in the ballpark there that the money expended is giving you that kind of benefit. Director Coba, I had emailed a copy of the proposal to everybody prior to the meeting; you may not have seen that. Whether reading it would have answered your questions or not I'm not sure. If you have a specific question, I could try to answer it.

Director Coba: Who is the technical advisory committee?

Charlie: The technical advisory committee is made up of two members or representatives from each of the plant board regions, as well as a USDA-APHIS-PPQ rep and a US Forest Service rep. I didn't qualify the vote on that; the Forest Service rep recused himself because of being close to the funds the Forest Service was providing. The APHIS rep did vote on it and was in favor of it. There were no negative comments from any of the other individuals on the committee and that committee was set up to advise the Governing Board, as you probably know, on claim requests.

Acting Chairman Butler recognized Secretary Reese (OK), who moved approval of the \$52,000 request out of the insurance fund. Commissioner Todd Staples (TX) seconded. The voice vote was unanimous and the motion carried.

## **Unfinished Business**

### Tax Status

The beginning of our advance ruling period for our 501(c)(3) status was in 2006 and it expires June 30, 2011. Following up on our failure to meet the public support test for our 501(c)(3) status prior to last year, Mauldin & Jenkins was asked to reconsider their interpretations of our organization to the point that they changed the way they prepared our 2009 return, but we still fell short of meeting the test. The four-year support level was calculated at 5.72%, but we need 33.3% to maintain 501(c)(3) status and there is no expectation that we will meet the test in the last year of this advance ruling period. Their recommendation was to pursue 501(c)(5) status, which is for labor, agricultural and horticultural organizations, versus defaulting to 501(c)(6) status, which is for private foundations. NASDA has a 501(c)(6) status. The problem for us with the 501(c)(6) is that it does expose you to the possibility of excise taxes and my own review reading the language for these two different statuses is that the 501(c)(5) does look like the

appropriate one for us based on the wording. So, rather than have our 501(c)(3) expire and default to 501(c)(6), permission is requested to pursue 501(c)(5) status with the IRS.

Acting Chairman Butler: What's the treasurer say to that?

Commissioner Strain: Agreed and moved permission for the executive director to pursue; seconded by Director Jennings (IL).

Acting Chairman Butler: Called for the vote and the motion carried.

### **New Business**

#### *Conflict of Interest Policy Distribution*

While working on the records review related to the Compact's tax status, nothing could be found to indicate that annual distribution of the conflict of interest policy had been implemented. This exercise was to be initiated following the adoption of a number of new articles on September 17, 2006. It requires that each employee, contractor, principle officer and member of the Governing Board shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax exempt purposes.

This exercise will be implemented following this meeting by doing an annual distribution at this same time of year to carry that out. There is no motion needed on this.

Question: Yes, Commissioner Black (GA).

Commissioner Black: I don't want to get in the mud, but if you're not going to be tax exempt anymore if you go to (c)(5).

Charlie: No, (c)(5) is tax exempt.

Commissioner Black: I think it is non-profit, not tax exempt; (c)(3) is tax exempt.

Commissioner Strain: But I think the discussion was there is a special category for this type of entity there in government.

Commissioner Black: (c)(3) is charitable.

Charlie: That allows public donations to be deductible, (c)(3) does, but it is my understanding that (c)(5) is tax exempt. I can double check that, but that's my understanding.

Commissioner Black: Our organization is not charitable (in the sense that charitable grants are dispensed); that's what a (c)(3) is.

Commissioner Strain: Right, that's correct, but it is made up strictly with government funding and, again, that [501(c)(5)] is what was recommended to us.

Commissioner Black: I think that's a statement for a (c)(3) organization; I'm not trying to throw a blanket on the whole thing.

Charlie: I can certainly investigate that further.

Commissioner Strain: But I think we did not meet the charitable organization (support test); we're a government entity collecting funding and that's why they went toward the 501(c)(5).

Charlie: These articles were adopted when the application was submitted for the 501(c)(3), but I can take a look at them in anticipation of a possible new 501(c)(5) status being granted.

*Election of Officers and Executive Committee for the Remainder of 2010-2011*

Before turning the proceedings over to Acting Chairman Butler for the election of officers and executive committee members, Charlie expressed his appreciation to the regions for their assistance yesterday in setting up a slate of candidates for the many vacancies that resulted from last November's gubernatorial elections and subsequent new appointments. There were 16 commissioners/secretaries/directors that turned over, which is 41 percent of the Compact's membership. Everyone was lost but Commissioner Strain and Commissioner Douglass.

Acting Chairman Butler: You see the slate that's there; are there any objections or comments or other volunteers. Director Jim Zehringer (OH) moved approval of the slates and Director Dan Newhouse seconded. Motion carried.

Officers Slate

Chairman..... Ed Kee (DE)  
Vice Chairman..... Tom Jennings (IL)  
Secretary..... Katy Coba (OR)  
Treasurer..... Mike Strain (LA)

Executive Committee Slate

Chairman..... Ed Kee (DE)  
Midwestern Region..... Keith Creagh (MI)  
Northeastern Region..... Chuck Ross (VT)  
Southern Region..... Gus Douglass (WV)  
Western Region..... Jason Fearneyhough (WY)

Question from Commissioner Goehring (ND): Did we receive and file the financial report or did we accept it and approve it, because there is a difference. If we aren't doing audits, at least we can limit some of our liability; we wouldn't eliminate it, but being fiduciaries of this board it would probably be better just to receive and file reports so that we aren't approving actions that may be beyond our control.

Commissioner Strain: As a body you mean?

Commissioner Goehring: Yes. That's a standard practice that's done in the corporate world just to make sure that until your directors have the ability to see an audit (liability is limited). And since we're not going to do one or would have no reason to and I'm not saying anybody is doing anything wrong.

Commissioner Strain: So rather than accept the report we receive and file.

Commissioner Goehring: Yes.

Acting Chairman Butler: Would you like to motion on that?

Commissioner Goehring: Well, I think it's just a practice through parliamentary rules that would certainly help. It gives me some ease of mind.

Charlie: I'll put it forward that way in the future.

Acting Chairman Butler: Any other business? Wisconsin.

Secretary Brancel: Not an intent to criticize, but the PowerPoint was well done, it laid out the agenda. If we could receive those ahead of time, we would have an opportunity to converse with our own personnel whether it deals with applications for acceptance or 501(c) whatever. So we could come either better prepared with questions or already having questions answered prior to coming to the meeting, so I would just make that a recommendation.

Charlie: Secretary Brancel, I'm not sure I follow exactly what you would like to receive, the PowerPoint presentation itself?

Secretary Brancel: Which would identify all of the issues that would be addressed at the meeting as well as documentation on proposals for acceptance and it could be done through electronic distribution.

Charlie: I have distributed a lot of material electronically; I have not been distributing the PowerPoint presentation in advance partly because I was working on it right up to the meeting with business still evolving. I can try to do that in the future though. I did send out the agenda, the minutes, etc.; did you get all of that?

Secretary Brancel: Yes I did.

Commissioner Strain: And, hopefully, future meetings won't be this long as a lot of this body of work has been done as a result of the transition trying to get things redirected.

Charlie: We're pretty close to on time for the hour that was set up, so I know you're anxious to get out of here with the long day you've had.

**Adjourn**

Acting Chairman Butler adjourned the meeting at 5:02 pm.

*\* Note: Appreciation is extended by the Executive Director to West Virginia Department of Agriculture Senior Executive Assistant Robin Gothard for providing the transcript from which the minutes were prepared.*